

Attorney Docket No. 47004.000049  
Application Serial No. 09/630,595

### **REMARKS**

This Amendment after Final Rejection is filed in response to a Final Rejection mailed on September 13, 2004 ("Final Rejection"). Claims 26, 28-33 and 35-40 are pending. Although the Final Rejection indicates that claims 26-40 are pending, Applicants request acknowledgement of the cancellation of claims 27 and 34 in the Amendment and Response filed on June 4, 2003. Further, Applicants request withdrawal of all rejections and/or objections to canceled claims 27 and 34.

Claims 26 and 35 have been amended. No new matter has been included. Support for the amendment to claim 26 can be found in the specification as originally filed at least at p. 2, lines 17-21; p. 9, lines 1-3; p. 10, lines 3-10; and Fig. 2.

#### **I. Consideration of References Cited In IDS Filed on February 10, 2003.**

Applicants filed an Information Disclosure Statement on February 10, 2003 which has not been acknowledged. Applicants request acknowledgement that the Examiner has considered all of the references cited therein by returning a copy of the IDS with the Examiner's initials in the left hand column by each reference.

#### **II. Objections to the Drawings.**

Applicants have submitted a revised Fig. 2 to reflect that the authorization unit is element 134.

#### **III. Claim Rejections under 35 U.S.C. § 102.**

The Examiner has rejected claims 26-40 as allegedly anticipated under 35 U.S.C. § 102(b) by USPN 5,276,311 to Hennige ("Hennige"), USPN 5,828,044 to Jun ("Jun") and USPN 5,859,419 to Wynn ("Wynn"). See Final Rejection at ¶¶ 7, 8. Applicants note that claims 27 and 34 have been canceled. Accordingly, Applicants respectfully submit that the rejections of claims 27 and 34 are moot and should be withdrawn. Further, Applicants respectfully submit that none of Hennige, Jun or Wynn disclose each and every limitation of claims 26, 28-30, 33 and 35-40.

##### **A. Rejection over Hennige.**

Claims 26, 28-30, 33 and 35-40 were rejected as allegedly unpatentable under 35 U.S.C.

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§ 102(b) based on Hennige. *See* Final Rejection at ¶ 7. This rejection is improper and should be overturned because Hennige does not disclose each and every limitation of claim 26.

Hennige, according to the Examiner, discloses an ordinary credit card transaction including “receiving by a transponder server of a credit network at least some transponder identification information (credit account number) emitted from a transponder (contacts 100 in the credit card) substantially upon presentation of both the transponder and a transaction for payment at a POS device, the payment comprises a payment amount (inherent in all payments).” *See* Final Rejection at ¶ 7. According to the Examiner, Hennige further discloses “receiving (at the credit authorization agency) at least some financial account information (the account number transmitted from the merchant) linked to the transponder identification information in an account table (the table includes account holder’s name, billing address, available balance and credit, etc.); determining authorization based on the payment amount . . . ; communicating authorization to the POS device . . . ; paying the authorized payment amount to a merchant account associated with a merchant . . . ; issuing the transponder (credit card) to the holder of the account (the consumer); receiving the transponder identification information from multiple POS devices . . . ; the account type is a credit card; the transponder is embedded in a transaction card (contacts 100 are embedded in the overall card); and registering the financial account information (activating the credit card) via a network registration interface (a telephone).” *See* Final Rejection at ¶ 7.

Applicants respectfully submit that Hennige does not disclose each and every limitation of claims 26, 28-30, 33 and 35-40. Further, as will be discussed in Sec. III(D), the Examiner’s impermissibly overly broad construction of the term “transponder” as covering a credit card and “transponder identification information” as covering a “credit account number” leads to the erroneous conclusion that claims 26, 28-30, 33 and 35-40 are anticipated in part because Hennige discloses “receiving (at the credit authorization agency) at least some financial account information linked to the transponder identification information. . .” Rather, claims 26, 28-30, 33 and 35-40 claim “receiving by a transponder server . . . *transponder identification information* [and then] *retrieving* at least some of the financial account information associated with the transponder identification information from the account table.” (emphasis added). The specification and the claims thus clearly distinguish transponder identification information from

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credit (or financial) account number information. In Hennige, credit account number is received by the transponder server, while in claim 26 transponder identification information that does *not* comprise financial account information is received by the transponder server.

Additionally, Hennige does not disclose a credit card that emits information. Ordinary credit cards have information embedded in the magnetic stripe and must be read by a card reader. Therefore, Hennige does not therefore disclose each and every limitation of claim 26. Hennige also does not disclose the elements of claims 37 and 38 of embedding the transponder in a personal article such as a key chain, pager, watch, clothing, key or transaction card.

Further, the Examiner fails to make a *prima facie* case that credit card activation discloses financial account registration as claimed in claim 40. The Examiner provides no reasoning of how "activation" of a credit card is consistent with the specification regarding registration of financial account information. Applicants submit that the specification description of registration of financial account information is completely *inconsistent* with credit card activation. See Specification at p. 8, line 19 to p. 9, line 10. For example, the specification states that the user is interrogated to "identify or select which one or more accounts . . . [s/he] wishes to associate with the transponder." See *id.* at p. 9, lines 1-3. The Examiner has provided no reasoning why or how, and a person of ordinary skill in the art would not understand that, activation of an ordinary credit card permits a user to "identify or select" which accounts to associate with the credit card. Rather, account number information is already embedded in the magnetic stripe on the credit card prior to activation.

Hennige discloses only reading credit account information embedded in a magnetic stripe on an ordinary credit card; receiving a credit account number by a transponder server and then retrieving other financial account information linked to the credit account number. Since the transponder identification information in claim 26 does *not* comprise financial account information and since ordinary credit cards do not emit information, Applicants respectfully submit that Hennige does not disclose each and every limitation of claims 26, 28-30, 33 and 35-40, and respectfully request that this rejection be overturned.

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**B. Rejection over Jun.**

The Examiner has rejected 26, 28-30, 33 and 35-40 as allegedly anticipated by Jun. *See* Final Rejection at ¶ 8. The Examiner asserts that Jun “discloses the claimed invention including an RF transponder.” *See id.* That is the full extent of the rejection over Jun. Just as for Hennige, Applicants respectfully submit that Jun does not disclose each and every limitation of claims 26, 28-30, 33 and 35-40.

Jun discloses a non-contacting credit card system. *See* Jun, col. 1, lines 5-11. The RF card of Jun is powered by a card terminal via a radiated radio frequency. *See* Jun, col. 2, lines 33-35. The card terminal reads the card number that is transmitted from the RF card. *See* Jun, col. 2, lines 34-36. The card number is then transmitted from the card terminal to a terminal computer, where the terminal computer makes an inquiry to a black list and makes a decision for issuing an approval or disapproval of a transaction. *See* Jun, col. 2, lines 37-46.

However, Jun does not disclose receiving by a transponder server of an issuing bank, a financial institution or a credit network transponder identification information emitted from a transponder; retrieving financial account information linked to the transponder identification information in an account table; determining by an authorization unit authorization for charging at least some of the payment amount to a financial account represented by the financial account information; and communicating authorization, as claimed in claim 26. Further, in claim 26 as amended, the transponder identification information does *not* comprise financial account information. In the claimed invention of claim 26, the financial account information is *not* stored on the transponder and is *not* transmitted to the transponder receiver. In contrast, Jun discloses transmitting the financial account number (card number) directly from the RF card to a card terminal. For this reason alone, Jun does not anticipate the claimed invention because Jun does not disclose each and every limitation of claim 26.

Additionally, Jun does not disclose the elements of claims 37 and 38 of embedding the transponder in a personal article such as a key chain, pager, watch, clothing, key or transaction card. Further, Jun does not disclose registration of financial account information via a network interface as claimed in claim 40.

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Applicants submit that Jun does not disclose each and every limitation of claim 26, and therefore also does not disclose each and every limitation of dependent claims 28-30, 33 and 35-40, and respectfully request that this rejection be withdrawn.

**C. Rejection over Wynn.**

The Examiner has rejected 26, 28-30, 33 and 35-40 as allegedly anticipated by Wynn. *See* Final Rejection at ¶ 9. The Examiner asserts that “[c]laims 26-40 are rejected . . . as being clearly anticipated by Wynn.” *See id.* That is the full extent of the rejection over Wynn. Just as for Hennige and Jun, Applicants respectfully submit that Wynn does not disclose each and every limitation of claims 26, 28-30, 33 and 35-40.

Wynn discloses a Universal Financial Data Card (“UFDC”) which may be used to compile and store “financial data pertaining to a plurality of financial accounts of the card holder.” *See* Wynn, col. 4, lines 18-23. The UFDC communicates with a card reader over a wireless/RF interface, a magnetic interface, an optical interface or via direct data coupling. *See* Wynn, col. 4, lines 44-54. Financial data pertaining to the financial accounts of the card holder are received and stored in the UFDC, including account information as well as records of transactions for a particular account. *See* Wynn, col. 4, line 55 to col. 5, line 5. Use of the UFDC “reduces the number of cards a user has to carry.” *See* Wynn, col. 5, lines 9-11. A user may use the UFDC to “obtain goods and services or to carry out a transaction or to carry out other operations with respect to the financial data stored in its memory.” *See* Wynn, col. 6, lines 7-12.

Wynn does not disclose receiving by a transponder server of an issuing bank, a financial institution or a credit network transponder identification information emitted from a transponder; retrieving financial account information linked to the transponder identification information in an account table; determining by an authorization unit authorization for charging at least some of the payment amount to a financial account represented by the financial account information; and communicating authorization, as claimed in claim 26. Further, in claim 26 as amended, the transponder identification information does *not* comprise financial account information. In the claimed invention of claim 26, the financial account information is *not* stored on the transponder and is *not* transmitted to the transponder receiver. In contrast, Wynn discloses storing financial

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data including the financial account number directly on the UFDC and communicating that financial data to a card reader which communicates with a central data system, typically located at a financial institution. For this reason alone, Wynn does not anticipate the claimed invention because Wynn does not disclose each and every limitation of claim 26.

Therefore, Applicants submit that Wynn does not anticipate claim 26, and also does not anticipate claims 28-30, 33 and 35-40, and respectfully request that this rejection be withdrawn.

**D. The Examiner's construction of the terms "transponder" and "transponder identification information" is inconsistent with the specification.**

The Examiner set forth in the Final Rejection a definition of the claim term "transponder" that is inconsistent with the Specification. *See* Final Rejection at ¶ 14. The Examiner asserts that a "transponder" is "a device that responds to a physical stimulus and emits an electrical signal in response to the stimulus." *See id.* This broad definition leads to the Examiner's interpretation of the "transponder" of the claims as covering the credit card of Hennige. *See* Final Rejection at ¶ 7. Further, this leads to a construction of the term "transponder identification information" as covering a credit account number of a credit card, as in Hennige. *See id.*

Applicants submit that the definition of the term "transponder" as a credit card is incorrect because an ordinary credit card does not "emit" any information. The verb "emit" is a transitive verb which means to give off; to send out; to eject. *See* Merriam Webster's Collegiate Dictionary (10<sup>th</sup> ed. 1993) at p. 378. However, an ordinary credit card is a passive device with embedded information in a magnetic stripe that is read by a reader, just like a cassette tape.<sup>1</sup>

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<sup>1</sup> This understanding is consistent with common understanding of how credit cards and transponders operate. For example, the Internet site "whatis.com" defines a passive transponder as a device that "allows a computer or robot to identify an object. Magnetic labels, such as those on credit cards and store items, are common examples. A passive transponder must be used with an active sensor that decodes and transcribes the data the transponder contains. The transponder unit can be physically tiny, and its information can be sensed up to several feet away." In contrast, "active transponders" are such devices as an "RFID (radio-frequency identification) device that transmits a coded signal when it receives a request from a monitoring or control point. The transponder output signal is tracked, so the position of the transponder can be constantly monitored. The input (receiver) and output (transmitter) frequencies are preassigned." A copy of this website page is attached as Appendix A. Although a credit card may be

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Here, Applicants expressly describe in the specification a transponder as an “electromagnetically-coupled transducer”; and an “electromagnetically coupled device[], generally activated by proximity to an RF-enabled receiving unit,” and one of ordinary skill in the art would understand this to refer to an active transponder. *See* Specification at p. 1, lines 10-11; p. 3, lines 19-22. The Examiner’s broad construction of the term “transponder” to cover ordinary magnetic stripe credit cards is inconsistent with the description of the term “transponder” in the specification.

The standard for claim construction during examination is that claims “must be ‘given their broadest reasonable interpretation consistent with the specification.’” *See* MPEP § 2111, *citing In re Hyatt*, 211 F.3d 1367, 1372, 54 USPQ2d 1664, 1667 (Fed. Cir. 2000). The Examiner’s construction of the term “transponder” is inconsistent with the specification. Applicants respectfully submit that the rejections based on a definition of the term “transponder” as a device that responds to a physical stimulus and emits an electrical signal in response to the stimulus should be withdrawn.<sup>2</sup>

#### IV. Claim Rejections Under 35 U.S.C. § 103(a).

The Examiner has rejected claims 26, 28-30, 33 and 35-40 as allegedly unpatentable over Hennige and Jun. *See* Final Rejection at ¶¶ 11, 12. The Examiner asserts that it would have been obvious to one of ordinary skill in the art to modify Hennige to include having the transponder server be of an issuing bank. Applicants submit that Hennige does not disclose each and every limitation of claims 26, 28-30, 33 and 35-40, as set forth in Sec. III(A), and therefore cannot form a *prima facie* case of obviousness in support of this rejection.

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considered at most a passive transponder, the common use of the term “transponder” to one of ordinary skill in the art is that of an “active transponder.” *See* Appendix B (copies of web sites providing definitions of transponders).

<sup>2</sup> Regardless of this construction, however, as discussed in Sections III(A), (B) and (C), the transponder of claim 26 does not emit financial account information. Therefore, even if the Examiner were to maintain this broad construction of the term “transponder” (which Applicants dispute), claim 26 is still not anticipated by any of Hennige, Jun or Wynn.

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The Examiner also asserts that it would have been obvious to one of ordinary skill in the art to modify Jun to include having the transponder server be of an issuing bank. However, as for Hennige, Jun does not disclose each and every limitation of claims 26, 28-30, 33 and 35-40, as set forth in Sec. III(B), and therefore cannot form a *prima facie* case of obviousness in support of this rejection.

Since neither of Hennige nor Jun disclose each and every limitation of the claimed invention, Applicants respectfully request that these rejections be withdrawn.

**V. Response to Other Arguments.**

**A. Objection to the Specification and Claim Rejections Under 35 U.S.C. § 112, First and Second Paragraphs for "New Matter" and Lack of Written Description.**

The Examiner previously objected to the specification under 35 U.S.C. § 132 for allegedly containing new matter and rejected claims 26, 28-30, 33 and 35-40 under 35 U.S.C. § 112, first and second paragraphs for allegedly containing subject matter which was not described in the specification in such a way as to reasonably convey to one skilled in the relevant art that the inventor(s), at the time the application was filed, had possession of the claimed invention and for indefiniteness for allegedly not providing support for an "authorization unit." Also, Fig. 2 as revised was not approved since it allegedly contained this same "new matter." These objections and rejections have now been withdrawn, for which Applicants' thank the Examiner. See Final Rejection at ¶ 16.

**B. Claim Rejections Under 35 U.S.C. § 112, First Paragraph for Lack of Written Description for Elements of Claim 26.**

The Examiner previously rejected claims 26, 28-30, 33 and 35-40 as allegedly failing to provide written description support for the specific elements of "receiving by a transponder server of at least on issuing bank . . . at least some transponder information . . ." and the elements of account table 112. The Examiner has withdrawn the rejection with respect to the element of "receiving by a transponder server of at least on issuing bank . . . at least some transponder information . . ." for which the Applicants thank the Examiner. See Final Rejection at ¶¶ 17, 18.



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Claim 26 expressly claims that the financial account information comprises account number information, account type information, account balance information, and account limit information. Applicants note that the Examiner has not noted this as an outstanding rejection, and therefore assume that this rejection has been waived. *See* MPEP § 707.07(c).

**C. Doctrine of Claim Differentiation.**

The Examiner previously asserted that, under the doctrine of claim differentiation, claim 26 is presumed *not* to have a wireless interface since claim 31, which depends on claim 26, expressly claims a wireless interface. Applicants note that the Examiner has not noted this as an outstanding rejection, and therefore assume that this rejection has been waived. *See* MPEP § 707.07(c).

**D. Rejections under 35 U.S.C. §§ 102 and 103 over USPN 5,253,345 to Fernandes and USPN 5,640,002 to Ruppert.**

The Examiner previously rejected claims 26, 28-30, 33 and 35-40 under 35 U.S.C. §§ 102 and 103 over Fernandes and Ruppert. Applicants note that the Examiner has not noted this as an outstanding rejection, and therefore assume that this rejection has been waived. *See* MPEP § 707.07(c).

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**CONCLUSION**

Applicants respectfully request that the Examiner enter this Amendment after Final Rejection, and allow all pending claims. This Amendment After Final Rejection was filed within two months of the mailing date of the Final Rejection and it is believed that no fees are due with the filing. If any fees are found to be due, please charge to Deposit Account No. 50-0206.

Respectfully submitted,

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